assigning each collected actual cost to a unique logical structure associated with a

corresponding one of said items or operations;

storing each unique logical structure to create a hierarchical organization of unique

logical structures configured to allow the actual cost of the activity to be ascertained at any stage

of a performance thereof, the hierarchical organization of logical structures being modeled on

one of a structure of a manufactured assembly associated with the business activity and a

sequence of operations carried out while performing the business activity.

REMARKS

The present amendment is responsive to the Office Action dated November 22, 2002, the

deadline to which has been extended by two (2) months to April 22, 2002, by payment of the

requisite fee, submitted herewith by means of form PTO 2038.

The present amendment amends each of the independent claims to define the instant

inventions with greater specificity and cancels dependent claims 8 and 13. Support for the

recitations added to the independent claims may be found in the originally filed specification at

page 14, lines 8-17 and lines 19-20.

Claims 1-27 stand rejected as being unpatentable over Conway in view of both Bone et al.

and Fahey. Reconsideration and withdrawal of these rejections are respectfully requested.

Amended Claim 1 recites:

> 1.   (Thrice Amended)   A computer implemented actual
> costing method for collecting and presenting an actual cost of performing a
> business activity of manufacturing an item or performing a service,
> comprising the steps of:
>
>   collecting actual costs of performing a job, manufacturing an item
> and/or purchasing an item in carrying out the business activity,

  creating a unique cost source identifier for each collected actual cost and storing the collected actual cost therein;

  associating each unique cost source identifier to the business activity; and

  organizing and storing the cost source identifiers as a hierarchical structure that is modeled on one of:

   a structure of the item manufactured in carrying out the business activity, and

   a sequence of operations carried out while performing the service of the business activity;

  implementing a selected accounting costing method for actual cost collection and a selected accounting costing method for actual cost presentation by accessing and selectively traversing the hierarchical structure, the selected accounting costing method for actual cost collection being independent of the selected accounting costing method for cost presentation.

Claim 1 requires that a unique cost source identifier be created for each collected actual costs and that the created unique cost source identifier be associated to the activity that gave rise to the cost. Claim 1 as amended herewith also requires that the created cost source identifiers be organized and stored as a hierarchical structure that is modeled on a structure of the item manufactured in carrying out the business activity or on a sequence of operations carried out while performing the service of the business activity.

The Final Office Action of November 4, 2002 acknowledges that the primary reference to Conway does not disclose that a new unique cost identifier is created and stored upon each occurrence of a transaction that affects the cost of carrying out the activity. The Fahey reference is relied on for its disclosure of "unique identifiers and hierarchical structure". For a teaching of the claimed hierarchical structure, the Office points to Col. 6, line 53 to Col. 7 line 50 as teaching such unique identifiers and hierarchical structure. However, the hierarchical structure disclosed in Fahey at Table 1 is a "related grouping of activity centers within an activity category" Col. 6, lines 59-60. Indeed, inspection of Table 1 at column 7 of this reference reveals

that each of the constituent elements in the table is an activity center (which may incur costs). Such activity centers are organized according to the inherent organization of the entity that is carrying out the business function. That is, the organization of the activity centers in Table 1 reflects not the item manufactured or the operations being carried out (as now claimed herein), but the underlying organization of the entity that is carrying out the business function (i.e., to which cost center may I assign these costs, such as direct production, plant support activities or division support activities ? - see Col. 6, lines 57-58).

In direct contrast, the independent claims of the present application have each been amended to specify that the hierarchical structure in which the cost source identifiers are stored is modeled on "a structure of the item manufactured in carrying out the business activity", or "a sequence of operations carried out while performing the service of the business activity". This is shown in detail in the example of Fig. 2 of the present application. The Fahey reference does not teach or suggest such a hierarchical structure modeled on the structure of an item manufactured or on a sequence of steps carried out or the benefits to be realized through its use.

Independent claims 12 and 17 have been amended with similar limitations.

It is respectfully submitted, therefore, that a combination of the Conway, Bone and Fahey patents would not teach or suggest the presently claimed invention to those of ordinary skill. Indeed, the person of ordinary skill would instead be lead to assign costs to activity centers modeled on the underlying organization (production, support, admin, etc.) of the entity performing the manufacturing or service, in contradistinction with the claimed inventions. There is not believed to be any suggestion in any of the constituent references of the applied combination (whether considered singly or in combination) of any hierarchical structures of unique cost source identifiers whose structure is modeled on the structure of an item of manufacture or on a sequence of steps

09/235,120

carried out while performing the service of the business activity. It is respectfully submitted therefore, that none of the claimed steps are taught or suggested by the cited combination. The invention as a whole is not taught or suggested by the cited combination. Therefore, reconsideration and withdrawal of the obviousness rejections applied to the claims are respectfully requested.

The present amendment is properly enterable after final rejection for the following reasons. At the outset, the present amendment places this case in condition for allowance, as the cited combination of references is not believed to teach or to suggest the recited structure of the independent claims, as developed above. Moreover, the nature of the amendments to the independent claims of the present application is such that no further search is required. Indeed, the originally filed and fully searched claims included recitations drawn to the claimed hierarchical structure, and the present amendment only defines this hierarchical structure in greater detail (moreover, the amendments to the independent claims are fully supported by the originally-filed specification). Thus, all of the structure recited in the amended independent claims has been fully searched by the Examiner. Of course, the Examiner may wish to perform an updated search prior to allowing this application. However, such a search is not necessitated by the nature of the amendments to the independent claims presented herewith. The present application is also allowable without undue additional consideration, as the Examiner has already considered the prior recitations drawn to the hierarchical structure. By incorporating recitations in the independent claims that clearly distinguish the structure and organization of the hierarchical structure from that disclosed in the applied Fahey reference, the applicant believes that the applied rejection has been overcome in a manner that enables the application to be allowed without further search and/or consideration. Indeed, any further consideration that might
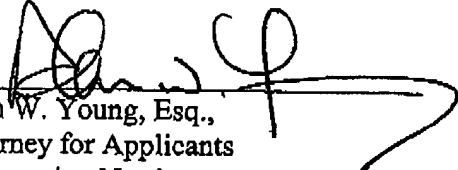
09/235,120

be required is believed to be *de minimis*, as the present amendment is believed to place this application in condition for allowance without consideration of any new issues and/or subject matter. The number of claims has been decreased by the present amendment after final rejection. Therefore, the amendments to the independent claims are believed to be such as to merit allowance of this application without requiring the applicant to expend additional fees to refile and re-prosecute this application.

It is believed that the present response overcomes the outstanding rejection and places this application in condition for allowance. Applicant respectfully requests that a timely Notice of Allowance be issued in this case. Should the Examiner have any further questions regarding this amendment or the application in general, he need only call the undersigned, and whatever is needed will be done at once.

Respectfully submitted,

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Date: April 3, 2003

MARKED VERSION TO SHOW CHANGES MADE

IN THE CLAIMS:

1. (Thrice Amended) A computer implemented actual costing method for collecting and presenting an actual cost of performing a business activity **of manufacturing an item or performing a service**, comprising the steps of:

collecting actual costs of performing a job, manufacturing an item and/or purchasing an item in carrying out the business activity,

creating a unique cost source identifier for each collected actual cost and storing the collected actual cost therein;

associating each unique cost source identifier to the business activity; and

organizing and storing the cost source identifiers as a hierarchical structure that is modeled on one of:

a structure of the item manufactured in carrying out the business activity, and

a sequence of operations carried out while performing the service of the business activity;

implementing a selected accounting costing method for actual cost collection and a selected accounting costing method for actual cost presentation ~~based upon the stored cost source identifiers~~ **by accessing and selectively traversing the hierarchical structure**, the selected accounting costing method for actual cost collection being independent of the selected accounting costing method for cost presentation.

Cancel claim 8.

9.   (Amended)   The method of claim 8 1, wherein the hierarchical structure includes a plurality of nodes, each of the stored cost source identifier logical structures being assigned to at least one of the plurality of nodes.

12.   (Thrice Amended)   A computer system to compute an actual cost of performing a business activity **of manufacturing an item or performing a service** from collected actual costs incurred in carrying out the business activity, comprising:

at least one processor;

at least one data storage device;

a plurality of processes spawned by said at least one processor, the processes including processing logic for:

collecting actual costs of job performed, an item manufactured and an item purchased in carrying out the business activity,

creating and storing, in said at least one data storage device, a unique cost source identifier for each of the collected actual job, manufacturing and purchasing costs, each cost source identifier including at least a collected actual cost;

associating each unique cost source identifier to the business activity; and

organizing and storing the cost source identifiers as a hierarchical structure that is modeled on one of:

a structure of the item manufactured in carrying out the business activity, and

a sequence of operations carried out while performing the service of the business activity;

processing each stored unique cost identifier to implement a selected accounting method for actual cost collection and a selected accounting method for actual cost presentation ~~based upon the stored unique cost source identifiers~~ by accessing and selectively traversing the hierarchical structure, the selected accounting method for actual cost collection being independent of the selected accounting method for cost presentation.

Cancel claim 13;

14.   (Amended)   The computer system of claim ~~13~~ 12, wherein the hierarchical structure includes a plurality of nodes, each of the stored cost source identifiers being assigned to at least one of the plurality of nodes.

17.   (Thrice Amended)   A machine readable medium having stored thereon data representing sequences of instructions which, when executed by a computer system, causes said computer system to perform the steps of:

collecting, in substantially real time, an actual cost of each of a plurality of constituent items or operations affecting a cost of performing a business activity;

assigning each collected actual cost to a unique logical structure associated with a corresponding one of said items or operations;

storing each unique logical structure to create ~~an~~ a hierarchical organization of unique logical structures configured to allow the actual cost of the activity to be ascertained at any stage of a performance thereof, the hierarchical organization of logical structures being modeled on one of a structure of a manufactured assembly associated with the business activity and a sequence of operations carried out while performing the business activity.